(b) and (c) According to RBI India's approach to the management of Foreign Exchange Reserves duly reflects the changing composition of balance of payments and liquidity risks associated with different types of flows. India's foreign exchange reserves are at present comfortable and consistent with the rate of growth, share of the external sector in the economy and the size of risk adjusted flow.

(d) Does not arise.

(e) The policy for reserve management is judiciously built upon a host of identifiable factors and other contingencies which *inter alia* include size of the current account deficit; the size of short-term liabilities, the possible variability in portfolio investment and other types of capital flows, pressures on the balance of payments arising out of external shocks and movements in the repatriable foreign currency deposits of Non Resident Indians (NRIs).

Foreign exchange reserves

711. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that despite a very comfortable position of foreign exchange reserves, Government proposed to prepay foreign debts/ loans by market borrowing or public issues;

(b) if so, the reasons therefor; and

(c) if not, the details of debts/loans proposed to be pre-paid during the current year?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) The Government of India, taking advantage of comfortable reserves position and low interest regime has prematurely repaid certain high cost foreign currency loans from the Asian Development Bank (ADB) and the World Bank amounting to US $ 2.8 billion in February, 2003. These foreign debts were substituted with domestic debt amounting to Rs. 13,000 crore by issuing securities on private placement basis to RBI. During the financial year 2003-04, the Government of India has made further prepayment of high cost debt amounting to US $ 1.4 billion. The mode of financing this time was same as that of the February, 2003 prepayment. Apart from the above, the Government has decided to prepay all bilateral debt to partners other than Japan, Germany, USA, France and Russian Federation. An amount

of US $ 0.59 billion of bilateral loans has already been prepaid in the current financial year so far.

Conference on VAT system

712. DR. AKHILESH DAS: Will the Minister of FINANCE be pleased to state:

(a) whether a Finance Ministers' Conference was held in New Delhi in third week of October, 2003 to sort out the issue of implementation of Value Added Tax system in different States;

(b) if so, what decisions were taken to implement the system; and

(c) what specific benefits and advantages are likely to accrue there from to the consumers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHRIPAD YESSO NAIK): (a) to (c) A meeting of Empowered Committee of State Finance Ministers was held on 20th October, 2003. The decision taken in the meeting include recommendations pertaining to amendments to the CST Act., 1956, implementation of uniform sales tax floor rate regime, matter relating to levy of sales tax/VAT on goods covered under Additional Duties of Excise Act, 1957, installation of Tax Information Exchange System, imposition of Sales Tax/VAT on items sold through Canteen Stores Department etc. The decisions taken by the Empowered Committee are likely to improve the revenue position of the States and would lead to an overall benefit for the consumers.

Special Credit Scheme for Women

713. DR. DASARI NARAYANA RAO: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that though certain Public Sector Banks have drawn out specific schemes for extending finance to women, they do not generate information regarding credit provided to women by each of these Banks;

(b) if so, the details of schemes, Bank-wise and reasons for not generating data in that regard; and

(c) if answer to (a) be in the negative what are the details of credit provided by each Bank to women under various schemes during the last three years, year-wise, Bank-wise and State-wise?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL): (a) No, Sir.